



Health Services

LOS ANGELES COUNTY

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October 17, 2012

TO: Each Supervisor

FROM: *SCN* Mitchell H. Katz, M.D.
Director

SUBJECT: **PLAN TO ADDRESS HEALTH PROFESSIONAL
SHORTAGE AREAS AND LOAN REPAYMENT
PROGRAMS**

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Christina R. Ghaly, M.D.
Deputy Director, Strategic Planning

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

www.dhs.lacounty.gov

To ensure access to high-quality,
patient-centered, cost-effective
health care to Los Angeles County
residents through direct services at
DHS facilities and through
collaboration with community and
university partners.



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On August 28, 2012, the Board requested the Directors of the Departments of Health Services (DHS), Mental Health (DMH) and Public Health (DPH), working with County Counsel, to report back in 45 days with a proposed plan, including any needed revised ordinances that would enable these departments to more strategically address health professional shortages with available federal, state, and philanthropic health provider loan repayment program funds.

BACKGROUND ON LOAN REPAYMENT PROGRAMS

There are a variety of programs that support loan repayment. Some are specific to particular health care professions (e.g. primary care physicians, nurse practitioners, mental health clinicians), some require matching funds, have site eligibility requirements, or service commitments. Most programs are focused on areas of need and require the recipient to provide services in recognized healthcare manpower shortage areas.

All of the programs provide a powerful tool for recruitment and retention of health care personnel. Most providers incur debt in the course of their education; therefore, the reduction of this debt without using current salaries or other income is a tangible benefit.

One critical component for many of the loan repayment programs is that the provider work in a recognized healthcare shortage area. The designation of a healthcare manpower shortage area is based on criteria established by the federal government. The regulations provide for designation based on shortages at three different levels:

- Geographic: The entire Medical Service Study Area (MSSA) is underserved
- Population: The MSSA is not underserved as a whole, but there are vulnerable populations within the MSSA that are underserved
- Facility: There are not entire populations that are underserved, but there are specific facilities who focus on the underserved

There are fundamentally two widely accepted healthcare manpower shortage designations: Health Professional Shortage Area (HPSA) and Medically Underserved Area/Medically Underserved Population (MUA/MUP).

HPSA designations are specific to a discipline, including primary care, mental health and dental care and must be updated every three years. MUA/MUP designations are based on service area and population characteristics. These designations are permanent, unless there is a change in the MSSA boundary (Appendix A).

PLAN TO ADDRESS PROFESSIONAL SHORTAGES THROUGH LOAN REPAYMENT PROGRAMS

1. Establish Eligible Areas with County facilities as Health Manpower Shortage Areas

DHS has developed the core expertise required to work with the Office of Statewide Health Planning and Development (OSHPD) on obtaining such designations. DHS will coordinate county-wide efforts with DMH and DPH.

To start, OSHPD and DHS, with input from DMH and DPH, will identify areas with underserved populations, limited access to health professionals or health disparities. The HPSA designation process involves several steps, including:

- Collection of healthcare professional specific lists by MSSA and census tract
- Telephonic surveys of providers to determine the number of hours each provider works and if they serve those with Medi-Cal and/or low incomes in the area to be designated and the contiguous areas
- Analysis of the population to provider ratio in each proposed and contiguous area
- Determination of appropriate shortage designation based on analysis
- Preparation of reports and applications for final submission to OSHPD

In the past six months, DHS has placed over 3,000 survey calls to providers as part of the process for assessing 17 MSSAs. There are now seven DHS facilities with HPSA status.

Historically, the County HPSA process depended on each department and its facilities individually pursuing HPSA designation. Recently, a strategic decision was made within DHS to streamline and centralize the process. DHS now has subject matter experts coordinating DHS-wide efforts, and who will work cooperatively in conjunction with DMH and DPH to identify potential HPSAs throughout Los Angeles County. DHS will acquire required data elements and coach each department on conducting telephonic survey calls.

2. Provide Information to County Employees and Prospective Employees

Once areas have been designated as HPSA or MUA/MUP, current and prospective health care providers who are employed in those areas may apply for loan repayment programs. To date, 16 scholarship and loan repayment programs have been identified for which County employees are potentially eligible to apply. Appendix B is a summary of programs and details can be found in Appendix C. As HPSA areas are designated, each Department will notify their employees of potential scholarships and loan repayment programs.

The Association of American Medical Colleges predicts that there will be a nationwide shortage in the number of physicians, mainly in primary care, necessary to meet healthcare demands. This is particularly problematic for most vulnerable and underserved populations seen within DHS. The United States, and California in particular, has already witnessed a decline in the number of physicians training in the primary care specialties. This places DHS in competition with the broader healthcare industry for a limited population of providers. As a result, DHS faces a potential challenge in recruiting adequate numbers of primary care physicians, an issue made more difficult by the fact that particularly as total compensation packages are often lower than those offered in the private sector. Thus, loan repayment programs are an important tactic in recruiting and retaining qualified providers.

To do this, we intend to engage our labor partners, Graduate Medical Education Offices, and affiliate universities for outreach, marketing and the development of recruitment tools related to the availability of loan repayment opportunities. In addition, DHS-Human Resources intends to provide program information to newly hired providers and employees in identifying those programs for which they may qualify. We believe these loan repayment programs will help the

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County attract providers to underserved communities where they can foster meaningful, long-standing patient-provider relationships.

In addition, the programs that do not require matching funds should also be pursued. We will review, and make a recommendation to your Board, on program by program basis, when we believe investment of matching funds in a particular program is worthwhile.

3. Amend County Ordinance Title 5 – Personnel of the Los Angeles County Code

In order to proceed, an amendment to ordinance Title 5 – Personnel of the Los Angeles County Code, Chapter 44, relating to Additional Employment and Compensation is required. Currently, that ordinance restricts the ability of County officers or employees to accept compensation or other reward for work that they do as County personnel. This section could be interpreted therefore, to preclude County employees from accepting loan repayment funds, to the extent that receipt of such funds is conditioned (as it is under most programs) on their being employed in the HPSA. The ordinance amendment will clarify that section 5.44.020 of the Code is not intended to preclude county employees or officers from participating in loan repayment programs where the program may require employment at an eligible site or entity, which can include a county facility, as a condition of receiving benefits under such program. A draft of the amendment has been prepared by County Counsel, and will be presented to your Board for approval within the next few weeks.

Should you have any questions, or require additional information, please contact me or Dr. Jeffrey Guterman, Chief, Research and Innovation for DHS' Ambulatory Care Network, at jguterman@dhs.lacounty.gov or 213-240-7840.

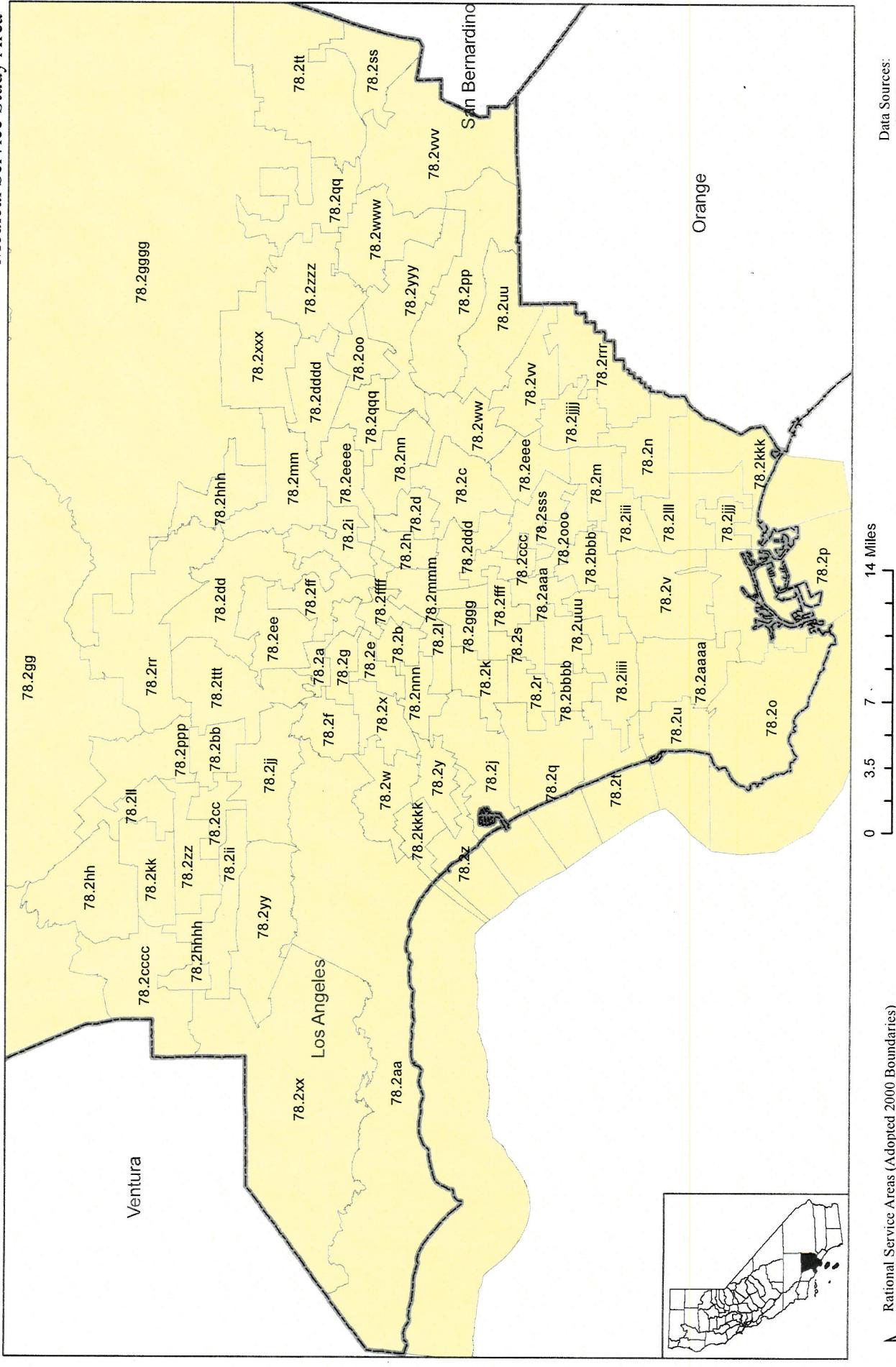
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Attachments

- c: Executive Office, Board of Supervisors
 Chief Executive Office
 County Counsel
 Mental Health
 Public Health

Southern Los Angeles County

Medical Service Study Area



**Department of Health Services
Los Angeles County
Scholarship and Loan Repayment Programs**

APPENDIX B

HPSA Required	Matching Funds Required	Matching Funds Not Required
	1- California State Loan Repayment (SLRP)	2- National Healthcare Service Corp. (NHSC)
HPSA or MUA/MUP Required	3- Allied Healthcare Scholarship Program (AHSP) 4- Allied Healthcare Loan Program (AHLRP) 5- Associate Degree Nursing Scholarship Program (ADN) 6- Bachelor of Science Nursing Scholarship (BSN) 7- Bachelor of Science Nurse Loan Repayment Program (BSNLRP) 8- Health Professions Education Scholarship (HPSP) 9- Health Professions Education Loan Repayment Program (HPLRP) 10- Licensed Vocational Nurse to Associate Degree Nursing Scholarship Program (LVN to ADN) 11- Licensed Vocational Nurse Loan Repayment Program (LVNLRP) 12- Steven M. Thompson Physician Corp. Loan Repayment Program (STLRRP) 13- Vocational Nurse Scholarship Program (VNSP)	
Work in a publicly funded <i>OR</i> a non-profit mental health facility <i>OR</i> a mental health HPSA <i>OR</i> a Public Mental Health System	14- Licensed Mental Health Services Provider Education Program (LMHSPEP)	
		15- Mental Health Loan Assumption Program (MHLAP)
		Must be working in or have entered into agreement to work at a Public Mental Health System
No Designation Required		16- Public Service Loan Forgiveness (PSLF)

**LOS ANGELES COUNTY
SCHOLARSHIP AND LOAN REPAYMENT PROGRAMS
MATCHING FUNDS NOT REQUIRED**

PROGRAM	ELIGIBLE PERSONS	REQUIREMENTS	SITE ELIGIBILITY	AWARD/SERVICE COMMITMENT
1- Allied Healthcare Scholarship (AHSP) OR 2- Allied Healthcare Loan Repayment (AHLRP)	<ul style="list-style-type: none"> -Diagnostic Medical Sonography -Clinical Laboratory Science -Medical Assistant -Medical Imaging -Medical Laboratory Technology -Nuclear Medicine Technology -Occupational Therapy -Pharmacy/Pharmacy Technician -Physical Therapy/Assistant -Radiation Therapy Technology -Radiologic Technology -Respiratory Care -Social Work -Speech Therapy -Surgical Technician -Ultrasound Technician 	<ul style="list-style-type: none"> -Have valid legal presence and ability to work and provide care in the State of California. Scholarship program: <ul style="list-style-type: none"> -Priority will be given to students accepted or enrolled in one of the listed programs. -Be willing to work in a medically underserved area for two years. Loan Repayment program: <ul style="list-style-type: none"> -Work in a medically underserved area for two years. -Have outstanding educational debt from a commercial or U.S. governmental lending institution. 	<ul style="list-style-type: none"> -HPSA, MUA/MUP, County, State or Veterans Facility 	<ul style="list-style-type: none"> -Eligible to receive up to receive \$4,000. Scholarship program: <ul style="list-style-type: none"> -One year service obligation OR 100 volunteer hours practicing direct patient care in a HPSA or MUA/MUP. Loan Repayment program: <ul style="list-style-type: none"> -One year service obligation practicing direct patient care in a HPSA or MUA/MUP.
3- Associate Degree Nursing Scholarship (ADN)	<ul style="list-style-type: none"> Students who are currently enrolled or accepted into an Associate Degree Nursing Program 	<ul style="list-style-type: none"> -Have valid legal presence and ability to work and provide care in the State of California. -Free from any other service obligation. -Graduate after January 31, 2013. 	<ul style="list-style-type: none"> -HPSA, MUA/MUP, County, State or Veterans Facility 	<ul style="list-style-type: none"> -Eligible to receive up to \$10,000 -Two-year service obligation practicing direct patient care at a qualified facility in CA
4- Bachelor of Science Nursing Scholarship (BSN) OR 5- Bachelor of Science Nursing Loan Repayment Program (BSNLRP)	<ul style="list-style-type: none"> Scholarship program: Students who are currently accepted or enrolled in a Bachelor Degree nursing program in California Loan Repayment program: currently licensed as a Registered Nurse in California and have a BSN degree 	<ul style="list-style-type: none"> -Have valid legal presence and ability to work and provide care in the State of California. -Be free from any other service obligation. -Be willing to work in a medically underserved area for two years. Scholarship program: -Graduate after January 31, 2013. Loan Repayment program: -Currently licensed as a RN in California and have BSN -Practicing as an RN providing direct patient care in a MUA, HPSA in a County, State, prison, or Veterans facility. -Have outstanding educational debt from a commercial or U.S. governmental lending institution. 	<ul style="list-style-type: none"> -HPSA, MUA/MUP, County, State or Veterans Facility 	<ul style="list-style-type: none"> Scholarship program: <ul style="list-style-type: none"> -Awards scholarships up to \$13,000 per year Loan Repayment program: <ul style="list-style-type: none"> -May receive up to \$8,000. If previously awarded, may be awarded a second time for up to an additional \$11,000. -If awarded, recipients agree to a two-year service obligation practicing direct patient care at a qualified facility in California. Each award requires an additional two year service obligation.

**LOS ANGELES COUNTY
SCHOLARSHIP AND LOAN REPAYMENT PROGRAMS
MATCHING FUNDS NOT REQUIRED**

PROGRAM	ELIGIBLE PERSONS	REQUIREMENTS	SITE ELIGIBILITY	AWARD/SERVICE COMMITMENT
6- Health Professions Education Loan Repayment Program (HPSP) OR 7- Health Professions Education Loan Repayment Program (HPLRP)	Scholarship program: Students who are currently accepted or enrolled into a field of Dentist, Dental Hygienists, Nurse Practitioners, Certified Nurse Midwives, Physician Assistant or Clinical Nurse Specialists in California Loan Repayment program: currently licensed as a Dentist, Dental Hygienists, Nurse Practitioners, Certified Nurse Midwives, Physician Assistant or Clinical Nurse Specialists in a County, State, prison, or Veteran's facility.	-Have valid legal presence and ability to work and provide care in the State of California. -Be free from any other service obligation. -Be willing to work in a medically underserved area for two years. Scholarship program: Graduate after January 31, 2013 Loan Repayment program: Practicing as a licensed Dentist, Dental Hygienists, Nurse Practitioners, Certified Nurse Midwives, Physician Assistant or Clinical Nurse Specialists providing direct patient care in a HPSA or MUA/MUP in a County, State, prison, or Veteran's facility.	-HPSA, MUA/MUP, County, State or Veterans Facility	Scholarship program: -Award scholarship may receive up to \$10,000 Loan Repayment program: -May receive up to \$20,000. -If awarded, recipients agree to a two-year service obligation practicing direct patient care at a qualified facility in California
8- Licensed Mental Health Services Provider Education Program (LMHSPEP)	-Registered or Licensed Psychologists -Postdoctoral Psychological Assistants -Postdoctoral Psychological Trainees -Registered or Licensed Marriage and Family Therapists -Registered or Licensed Clinical Social Workers	-Must be both a permanent resident of California and U.S. citizen. -Be free from any other service obligation to another entity.	-Work in a publicly funded or public mental health facility, a non-profit mental health facility, a mental health professions shortage area, or in a Public Mental Health System.	Awardee may receive up to \$15,000 to repay educational loans over a two-year period in exchange for a two year commitment to practicing and providing direct care in a publicly funded or public mental health facility, a non-profit mental health facility, a mental health professions shortage area, or in a Public Mental Health System.
9- Licensed Vocational Nurse Loan Repayment Program (LVNLRP)	Currently a Licensed Vocational Nurse in CA	-Be practicing as a LVN providing direct patient care. -Have valid legal presence and ability to work and provide care in the State of California. -Be free from any other service obligation. -Be willing to work in a medically underserved area for two years.	-HPSA, MUA/MUP, County, State or Veterans Facility'	Awardee may receive up to \$6,000. If awarded, recipients agree to a two-year service obligation practicing direct patient care at a qualified facility in California.

LOS ANGELES COUNTY
SCHOLARSHIP AND LOAN REPAYMENT PROGRAMS
MATCHING FUNDS NOT REQUIRED

PROGRAM	ELIGIBLE PERSONS	REQUIREMENTS	SITE ELIGIBILITY	AWARD/SERVICE COMMITMENT
10- Licensed Vocational Nurse to Associate Degree Nursing Scholarships Program (LVN to ADN)	Currently accepted or enrolled in a Licensed Vocational Nurse to Associate Degree Nursing program in CA	-Have valid legal presence and ability to work and provide care in the State of California. -Free from any other service obligation. -Graduate after January 31, 2013.	-HPSA, MUA/MUP, County, State or Veterans Facility	-Awardee may receive up to \$8,000. If awarded, recipients agree to a two-year service obligation practicing direct patient care at a qualified facility in California.
11- Mental Health Loan Assumption Program (MHLAP)	Eligible professions include, but are not limited to: -Registered or Licensed Psychologists -Registered or Licensed Psychiatrists -Postdoctoral Psychological Assistants -Postdoctoral Psychological Trainees -Registered or Licensed Marriage and Family Therapists	-Have valid legal presence and ability to work in the state of California. -Have no outstanding service obligation to an entity other than the Health Education Profession Foundation. -Have outstanding educational debt from a commercial or U.S. governmental lending institution. -Work or volunteer in the Public Mental Health System for a minimum of 20 hours per week. -Qualification criteria identified as hard to fill/retain programs/personnel and defined by the County Director of Mental Health	-Must be working in or have entered into agreement to work at a Public Mental Health System (directly operated or DMH contracted agency).	-Awardee may receive up to \$10,000 to repay educational loans in exchange for a 12-month service obligation in a hard-to-fill or retain position within the County PMHS.

**LOS ANGELES COUNTY
SCHOLARSHIP AND LOAN REPAYMENT PROGRAMS
MATCHING FUNDS NOT REQUIRED**

PROGRAM	ELIGIBLE PERSONS	REQUIREMENTS	SITE ELIGIBILITY	AWARD/SERVICE COMMITMENT
11- Primary Care Physicians (MD/DO) including: -Family practice -Internal medicine -Pediatrics -Ob Gyn -Gerontology -Psychiatry -Nurse practitioners -Physician assistants -Certified nurse midwives	-U.S. citizen (U.S. born/naturalized) or U.S. National -Participate or be eligible to participate as a provider in the Medicare, Medicaid, and Children's Health Insurance Programs, as appropriate. -Not have any outstanding service obligation for health professional or other service to the Federal government, State or other entity ¹ unless the obligation would be completed prior to receipt of the NHSC LRP award. -Not be in breach of a health professional service obligation to the Federal, State or local government. -Not have any judgment liens arising from Federal debt; Not be excluded, debarred, suspended, or disqualified by a Federal agency.	-Located in a HPSA -Accept public insurance and have a sliding fee scale -All primary care, outpatient settings	-2-yr F/T ² Clinical Practice in a NHSC approved sites w/ <u>HPSA score of 14 or higher</u> Eligible to receive up to \$60,000* for an initial 2 years of full-time clinical practice to clinicians. <u>HPSA scores of 13 or lower</u> Eligible to receive up to \$40,000* for an initial 2 years of full-time clinical service.	
12- National Health Service Corps (NHSC)	Dental care professionals: -Dentists (DDS/DMD) -Registered dental hygienist Mental Health professionals: -Health service psychologist -Licensed clinical social worker -Psychiatric nurse specialist -Marriage & family therapist -Licensed professional counselor		-4 yr Half-Time ³ Clinical Practice in a NHSC approved sites w/ <u>HPSA score of 14 or higher</u> Eligible to receive up to \$60,000* for an initial 4 years of half-time clinical practice to clinicians. <u>HPSA scores of 13 or lower</u> Eligible to receive up to \$40,000* for an initial 4 years of half-time clinical service.	-2-yr Half-Time Clinical Practice in a NHSC approved sites w/ <u>HPSA score of 14 or higher</u> Eligible to receive up to \$30,000* for an initial 2 years of half-time clinical service to clinicians. <u>HPSA scores of 13 or lower</u> Eligible to receive up to \$20,000 for an initial 2 years of half-time clinical service.
13- Public Service Loan Forgiveness (PSLF)	-Any public service organization employee OR must be serving in a full-time AmeriCorps or Peace Corps position	-Must be employed full-time in a public service job for each of the 120 monthly payments.	-Must be a public service organization. -Eligible Loans: Eligible loans include Federal Direct Stafford Loans (Subsidized and Unsubsidized), Federal Direct PLUS Loans, and Federal Direct Consolidation Loans. Borrowers in the Direct Loan program do not need to consolidate in order to qualify for loan forgiveness. Borrowers in the FFEL program will need to consolidate into Direct Loans.	

**LOS ANGELES COUNTY
SCHOLARSHIP AND LOAN REPAYMENT PROGRAMS
MATCHING FUNDS NOT REQUIRED**

PROGRAM	ELIGIBLE PERSONS	REQUIREMENTS	SITE ELIGIBILITY	AWARD/SERVICE COMMITMENT
14- Steven M. Thompson Physician Corp Loan Repayment Program (STLRP)	-Be an allopathic or osteopathic physician	<ul style="list-style-type: none"> -Be free of any contractual service obligations. -Have outstanding educational debt from a government or commercial lending institution. -Have a valid, unrestricted license to practice medicine in California. -Be currently employed or have accepted employment in a HPSA in California. -Commit to providing full-time direct patient care in a HPSA for a minimum of three years. 	-HPSA, MUAMUP, County, State or Veterans Facility	<ul style="list-style-type: none"> -Program authorizes a plan for repaying up to \$105,000 in educational loans in exchange for full-time service for a minimum of three years.
15- Vocational Nurse Scholarship Program (VNSP)	-Be currently accepted or enrolled in a Vocational Nurse program in California	<ul style="list-style-type: none"> -Have valid legal presence and ability to work and provide care in the State of California. -Free from any other service obligation. -Graduate after January 31, 2013. 	-HPSA, MUAMUP, County, State or Veterans Facility	<ul style="list-style-type: none"> -Awardee may receive up to \$4,000. If awarded, recipients agree to a two-year service obligation practicing direct patient care at a qualified facility in California.

¹ Outstanding service obligations in other entities include active military, an NHSC Scholarship Program, a Nursing Education Loan Repayment Program, a State Loan Repayment Program, or a recruitment bonus that obligates you to remain employed at a certain site.

² Full-time clinical practice is defined as no less than 40 hours per week, for a minimum of 45 weeks per year.

³ Half-time clinical practice is defined as a minimum of 20 hours per week (not to exceed 39 hours per week), for a minimum of 45 weeks per year.

*2013 Application deadlines TBA

**LOS ANGELES COUNTY
LOAN REPAYMENT PROGRAM
MATCHING FUNDS REQUIRED**

APPENDIX C

PROGRAM	ELIGIBLE PERSONS	REQUIREMENTS	SITE ELIGIBILITY	AWARD/SERVICE COMMITMENT
Physicians (MD/DO) Specializing in: -family practice -general internal medicine -general pediatrics -obstetrics/gynecology -gerontology -general psychiatry -physician assistants -nurse practitioners -certified nurse midwives	-Be U.S. citizen with a valid, unrestricted healthcare license or certificate for the State of California. -Have no other existing service commitment, including residency. -Free of judgements arising from Federal debt. -Current on all child support payments. -Currently employed or have accepted employment as a SLRP Certified Eligible site. -Commit to providing full-time (40 hours per week) primary care service in a California HPSA for a minimum of 2 years.	-Located in a California HPSA; Public or private non-profit; be on the SLRP Certified Eligible Site List. -Match the State loan repayment award on a dollar-for-dollar basis, in addition to salary, agree to pay the match with non-federal funds. -Make the loan repayments directly to the provider commit to two-year employment. -Pay prevailing wages. -Enter into a Memorandum of Understanding with the Office of Statewide Health Planning and Development.	-Health professionals may be granted up to \$60,000 for a two-year initial award. The following amounts and payments are made directly to the awardee and are based on full-time status (part-time options are available): • For new applicants: \$60,000 for a two-year full-time obligation. \$60,000 for a four-year half-time obligation. \$30,000 for a two-year half-time obligation. • For extension applicants: \$40,000 for a one-year full-time extension (3rd or 4th year). \$40,000 for a two-year half-time extension (3rd or 4th year). \$30,000 for a one-year full-time extension (5th year). \$30,000 for a two-year half-time extension (5th year).	
16-State Loan Repayment Program (SLRP)	Dental Care Professionals: -General practice dentists (DDS/DMD) -dental hygienists Mental Health Professionals: -clinical or counseling psychologists -clinical social workers -licensed professional counselors -psychiatric nurse specialists -marriage and family therapists			

*2013 Application deadlines TBA